

FISCAL IMPACT STATEMENT ON BILL NO. **H. 3524**

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TO: The Honorable Ronald P. Townsend, Chairperson, House Education and Public Works Committee

FROM: Office of State Budget, Budget and Control Board

ANALYSTS: Rodney Grizzle and Harry Bell

DATE: February 22, 2005 SBD: 2005228

AUTHOR: Representative Townsend PRIMARY CODE CITE: 56-1-2005

SUBJECT: South Carolina Commercial Driver's License Program

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
See Below

BILL SUMMARY:

House Bill 3524 amends the Code of Laws of South Carolina, 1976, by adding various sections which create the South Carolina Commercial Driver's License Program to be administered by the Department of Motor Vehicles.

EXPLANATION OF IMPACT:

Department of Motor Vehicles (DMV)

The Department indicates there will be a one-time cost of approximately \$47,644 for data-base programming associated with the requirements of the Bill.

Department of Transportation (DOT)

Enactment would have no impact on Department expenditures. However, DOT indicates enactment would bring the State into compliance with federal Motor Carrier Safety Administration regulations. DOT indicates noncompliance with these regulations would result in the loss of federal highway funds (estimated to be as much as \$25 million the first year of noncompliance starting in the fall of 2005).

Department of Education (SDE)

SDE indicates enactment would have no impact on expenses unless section 56-1-2030 is interpreted such that the Department's mechanics and other staff would have to obtain an "S" endorsement to their diver's license. If such an endorsement is required SDE anticipates staff would have to undergo approximately 30,000 hours of training the first year after enactment (total for all affected staff) and incur direct training expenses of about \$1,000 associated with taking the DMV test for this endorsement.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget